amendments will satisfy the suggestions made by the Supreme Court on one or two points. And let me repeat that article 32 was not a suggestion of the Supreme Court. It was a decision taken by the Government. The Supreme Court's suggestion dealt with the composition of the Benches and consultation with the Chief Jusice of India. On these two questions, I think....

SHRI P. BABUL REDDY: The Supreme Court gave a suggestion indirectly by refusing to transfer the cases pending before them while transferring the cases from the High Court.

SHRI P. CHIDAMBARAM: Government takes note of direct suggestions. Government also, I believe, has the intelligence to know what else is necessary. And let me say, I personally think that the situation is not so grave that entertaining writ petitions under article 32 by the Supreme Court is going to come in the way of the functioning of these Tribunals. Sir, while I am grateful to the hon. Members for broadly supporting this Bill, I do hope that the reservations expressed by some of the Members no longer survive and I do sincerely hope that the whole House will adopt and pass this amending Bill without any dissent and without any reservation.

Sir, I commend this Bill for the adoption of the House.

THE VICE-CHAIRMAN (SHRI M. P. KAUSHIK): Mr. Kailash Pati Mishra, do you insist on your Resolution?

श्री कैलाशपति मिश्र : यदि मंत्री जी आग्रह करते हैं, तो मैं वापिस कर लेता हूं ।

The Resolution was, by leave, withdrawn

THE VICE-CHAIRMAN (SHRI M. P. KAUSHIK): Now, I will put the Motion moved by the Minister to vote. The question is:

"That the Bill to amend the Administrative Tribunals Act, 1985, be taken into consideration."

The motion was adopted.

THE VICE-CHAIRMAN (SHRI M. P. KAUSHIK) We shall now take up clause by clause consideration of the Bill.

Clauses 2 to 26 were added to the Bill. Clause 1, the Enacting Formula, and the Title were added to the Bill.

SHRI P. CHIDAMBARAM: Sir, I move:

"That the Bill be passed."

The question was put and the motion was adopted.

SHRI PARVATHANENI UPENDRA: Well done by the Minister.

THE VICE-CHAIRMAN (SHRI M. P. KAUSHIK): Now, the statement by Shri Mirdha.

Statement by Minister

Formation of a Corporation for Bombay and Delhi Telephone Systems Crief another Corporation for Overseas Communications Service

THE MINITER OF STATE OF THE MINISTRY OF COMMUNICATIONS (SHRI RAM NIWAS MIRDHA): Mr. Vice-Chairman Sir, the Government have decided to entrust the management, control and operation of telephones, telex and other telecommunication Service excluding Public Telegraph Service in the Union territory of Delhi and in the areas falling in the Bombay Municipal Corporation, the new Bombay Corporation and the Thane Municipal Corporation to a Public Sector Company under the administartive control of the Telecommunicatin Board. This Company has been incorporated under the Companies Act, 1956 and is expected to start functioning w.e.f. 1st April 1986. This new Corporation is designated as "Mahanagar Telephone Nigam Limited."

Two of the main objectives of the Corporation will be:—

(a) To establish, develop, provide, operator and maintain all types of telecommunication services including telephons, telex, telematics etc., but excluding the Public Telegraph Services.

[Shri Ram Niwas Mirdha]

(b) To raise necessary financial resources for development needs for telecommunication services in the areas managed by the Company and also for the other parts of the telecommunication network in the country managed by the Telecom. Board.

By the close of the year 1985-86, the Bombay and Delhi Telephone Districts will have assets of the order of about Rs. 1200 crores Rs. 600 crores will be treated as 'equity' and the balance as "loan".

It will have the authority to accept fixed deposits and re-sort to market borrowings through bonds etc., on erms and conditions and subject to annual limits as may be prescribed in consultation with the Government.

The telecom., services are a network service. A subscriber may make a call from a part of the network to any other part of the network as at present. A suitable formula will be formulated for sharing the revenue between the Corporation and the DOT, which will be reviewed from time to time according to the needs of the situation. The tariffs for various services including the new services, shall be fixed by the Corporation with specific prior approval of the Telecommunications Board. Similarly, the broad policy for introduction of new telecom., services and/or withdrawal of any existing service, will be subject to the approval of the Telecom. Board.

At present the Department of Telecom. is the sole authority for the operation of Telecom., Services in the country. The new Corporation will, therefore, be granted licence under the Indian Telegraph. Act for carrying out the business being entrusted to them. Under the Indian Telegaph Act. and with suitable conditions in the licence. it would be ensured that the operaions can be taken control of by the Government in emergency conditions and also that the regulatory powers in the emergency conditions or in the interest of public safety now available to the Government will remain applicable to the net work of the new Corporation.

The long Distance transmission systems will continue to be developed and managed by the DOT as part of the nation-wide telecommunication network. Similarly, the planning and circuit allotment of Trunk Automatic Exchanges in Delhi and Bombay Metro-cities shall remain under the control of the DOT.

The funds required for the proposed Corporation have been included in the Budget/Demands of the Department of Telecom., as per prescribed procedure. It is also proposed to give ways and means advances upto Rs. 25 crores to the Corporation to meet its immediate financial requirements.

Videsh Sanchar Nigam Limited

The Government have since decided to convert the Overseas Communications Service, which is at present functioning as a Department of the Government of Inida under the Ministry of Communications, into a wholly Government owned Public Limited Company. It will be called Videsh Sanchar Nigam Limited, under the administrative control of the Department of Telecommunications. This Company is being incorporated under the Companies Act,1956 with its registered office at Bombay and is to start functioning with effect from 1st April 1986.

2. The main objectives of the Videsh Sanchar Nigam Limited will be:

(i) to plan, provide, operate and maintain overseas telephone telex and other telecommunication services to all parts of the world and from all parts of the country, through the national network wherever available according to its requirements and

(ii) to raise necessary financial resources for the development of overseas communications services of the country.

Since at present the external telecommunications of the country are operated upon by the Overseas Communication Service as a Department of the Government of India, the Company will be given a licence

under the Indian Telegraph Act for carrying on its business, with suitable conditions, on the pattern of Mahanagar Telephone Nigam. These would ensure that the operations remain under the overall control of the Government in emergency conditions and also that the regulatory powers in he interest of public safety now available to the Government remain intact.

By the ned of Financial Year 1985-86, the approximate value of the assets of Overseas Communication Services will be Rs. 120 crores. Out of this, Rs. 60 crores will be treated as equity and the balance as loan to the new company viz.. Videsh Sanchar Nigam Limited.

The proposed Vote on Account for 1986-87 contains a provision of Rs. 6 crores for loan under Demand No. 13- Ministry of Communications (Capital Section) and Rs. 60.25 lakhs under Demand-No. 14 Overseas Communications Service. The requirement of Rs. 6 crores is to meet the day-to-day working capital needs of the company for the initial months till they start generating their own revenues. This will form a part of the total working capital loan of Rs. 15 crores to be provided to the Company during the year 1986-87.

Vote on Account for Rs. 60.25 lakhs has been sought under Demand No. 14 of Overseas Communications Services for payment of salaries etc., to the employees of the Organisation for the month of March 1986, payable on 1st April, 1986, from which date the conversion is to take place.

THE VICE-CHAIRMAN (SHRI M.P. KAUSHIK): Yes, Mr. Upendra.

SHRI PARVATHANENI UPENDRA (Andhra Pradesh): Mr. Vice-Chairman, Sir, I congratulate the Minister...

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (RAJYA SABHA) ((SHRI SITARAM KESRI): It is good you have taken lunch.

SHRI PARVATHANENI UPENDRA: You always fail to give the dinner, that is trouble. I congratulate the Minister for sending the bad boy to the Borstal school He has shed the load of a very bad service which is troubling the people at large. The Minister is competent, no doubt, but the Department is so inefficient. The people have been suffering for long from a bad telephone system. In spite of advances made in installing automatic exchanges to, the telephone service has remained very bad and we know most of the time the service is out of order, repairs take long time, bills are exorbitant, bills are manipulated and the service rendered by the operators of the special services is most discourteous. I don't know whether the Minister has any time tried 197 or 199; he would have got a taste of the service which his Department is giving. Time factor is also involved. When I was abroad, I tried from New York. It was so easy to get Hyderabad or Guntur or Visakhapatnam from New York but you get Hissar or Lucknow from Delhi. That is the situation in which telephone service is placed. Therefore, it is good that is being entrusted to a corporation. I do not say public sector corporations are all efficient but at least this will give them a little leeway and the corporation will be free to improve the service because decentralisation will lead to better service. That is the hope we have, because I find, in the present setup even the General Managers of zonal telephone systems have no powers, absolutely no powers; they cannot even use their initiative. I will just give one or two examples and then seek a clarification and conclude I wrote a letter to the Minister a year ago. We have a Central Office for our party, Telugu Desam Party, in Hyderabad and you know ours is the ruling party in the State and here we are the largest opposition party in Parliament. We applied for a permanent telephoneconnection and they refused it and after speaking to the General Manager several times, he gave a temporary connection and everytime we had to renew it. I wrote a letter to the Minister also. While a pan-shop owner gets a telephone, how is it that a recognised political party is not given telephone con-

[Shri Parvathaneni Upendra]

nection And in January they cut the temporary telephone connection also because we did not write to them in time for renewal. When our General Secretary threatened demonstration before the General Manager's Office, it was restored and a permanent connection was given. I just gave an example, to show how the system is working.

Similarly, number of M.L.As. do not have telephones in their houses. Zila Parishad Chairman do not have telephones. I do not know how is it that a petty trader gets telephone in no time. So, there is a lot of corruption. I think we will be able to get rid of these troubles by establishment of this corporation.

I only want to know from the Minister whether he is going to set-up similar corporations for other places also like Madras, Calcutta, Hyderabad, Bangalore, Ahmedabad, etc. I think sooner he takes action in this respect, the better for the telephone-users.

SHRI S. W. DHABE (Maharashtra): I welcome the step taken by the Government and the Minister's announcement that corporation will be established in Bombay, capital of my State. Sir, it is not clear how the Corporation will have the Boards of Directors and whether the Board will have representatives from consumers, the industries, especially the working class because we have got Board for many nationalised industries where we have got workers as Directors on the Boards of Management. I think when you want to have efficiency, instead of having consultative committees, it will be good if the Minister reacts to the suggestion to have representatives of industries, consumers and workers on the Board of management of these corporations. It will go a long way also to check malpractices. Secondly, Sir, in the statement, in paragraph 6, it has been mentioned 'Long-distance transmission system will continue to be developed and managed by DOT...' I would like to know, in this connection, what will be the jurisdiction of the Bombay Corporation? Suppose, I want to make a call to Pune or Nasik, will it be considered outside the Bombay Corporations jurisdiction and will it come under the DOT? I would like to know whether all the other areas will be under the jurisdiction of the DOT and the jurisdiction of the Corporation will be limited to Bombay city only. The third thing which I would like to know is, the employees of the telephone department are Government servants. When they are transferred to the Corporation, they will not be Government servants because it will be an autonomous body like other public sector undertakings. In all the legislations which we have enacted, whether it is in the case of coal mines nationalisation or in the case of nationalisation of sick textile industries, we have provided that their service conditions will be protected. When the employees are transferred, they are given the option. I do not find any mention in regard to this in this case. I think, this will create misgiving in the minds of the employees. I hope, the Minister will ensure that the service conditions of the employees, who will be transferred to the Corporation, are protected. I would like the Minister to clarify these points.

श्री सत्य प्रकाश मालवीय: (उत्तर प्रदेश) : मान्यवर, टेलीफोन की कार्य प्रणाली और विदेश संचार सेवा जो है उस में सुधार लाने के लिये सरकार की ओर से जो कदम उठाया गया है उसका मैं स्वागत करता हूं और जो निगम बनाया गया है उसके सम्बन्ध में मैं दो स्पष्टीकरण चाहता हूं ।

जो महानगर टेलीफोन निगम बनेगा उसका फिलहाल एक्सपेरीमेंट के लिये बंबई और दिल्ली के लिये प्रावधान किया जा रहा है । तो क्या माननीय मंत्री जी, यदि यह सफल होता है तो क्या इस का विस्तार जितनी भी इस देश में राज्यों की राजधानियों हैं वहां तक करेंगे और कम से कम जो कबाल टाउन्स हैं वहां तक करेंगे अथवा नहीं ?

और दूसरा मेरा प्रश्न है कि जो निगम बनेगा महानगरीय टेलीफोन निगम या विदेश संचार सेवा निगम उसका जो गठन है उस की आउटलाइन क्या होगी । और इसमें मेरा आशय यह है

कि यह निगम कितने सदस्यों का होगा और उसमें जो जनता के प्रतिनिधि हैं विशेषकर इस देश की संसद के उन को उसमें रखने का कोई प्रावधान किया जाएगा या नहीं ?

SHRI GHULAM RASOOL MATTO (Jammu and Kashmir): I welcome the announcement of the hon. Minister to have Corporations. We are fed up with other public sector undertakings. But he is starting from a scratch and I hope, he will take into consideration all the aspects which we have come across in the working of the other public sector undertakings. I have one or two questions to ask him. The first thing I would like to know is, whether the Chairman of the Nigam will be a whole-time Chairman or the Secretary of the Telecommunications Department will be the ex-officio Chairman. I would like to make the suggestion here that the Corporation should be headed by a full-time Chairman, who should have nothing to do with the Telecommunications Department. There may be representatives of the Telecommunications Department all right. But in order to make this experiment successful, it should be seen that the Corporations are headed by competent persons who know the job.

The second point I would like to make is—this has been made by Mr. Malaviya also—the Board of Directors should include representatives of the users, Parliament and also labour. Mr. Dhabe has also mentioned this. Will the hon. Minister assure us that he will take care of these thing? I would also like to reiterate the point made by Mr. Dhabe that the service conditions of the employees should be taken care of.

Lastly, Sir, if this experiment proves successful, will this be extended throughout the country? Thank you.

SHRI JAGESH DESAI (Maharashtra): Mr. Vice-Chairman, Sir, I would like to ask two clarifications. The assets of the Bombay and Delhi telephone systems will be Rs. 1200 crores and this will be transferred to the new Corporations. Out of Rs. 1200 crores, Rs. 600 crores will be as equity and remaining Rs. 600 crores as loan. Will the Government give loan on interest or will it be free of interest? Secondly, if they are going to charge interest, what is the formula of sharing revenue between the Corporation and DOT and what are the reasons that the profit would be given to DOT? I would like the Minister to enlighten us on these two points.

SHRI RAM NIWAS MIRDHA: I am very thankful to hon. Members for generally welcoming the establishment of these two Corporations because the main purpose behind it is to improve the standard of services about which Members have and very rightly, serious reservations. The services that our Department give are not up to the expectation of the hon. Members or the general public and our endeavour is to a come up to their expectation as well as we can.

Some broad points have been raised. Firstly, about the Board of Directors, I will come straightaway to that. At present the Secretary would be part-time chairman and we will have a whole-time managing director. But this is only transitional because the pattern these days is that there should be a whole-time chairman-cum-managing director. Because lot of work from the Telecom. Department will also have to be done, like transfer of services, etc., to start with we have decided to have the Secretary, Department of Telcommunications, as a part-time chairman of the Corporation and will have whole-time managing director.

As regards representatives on the Board of Directors, we have not thought of it at the present moment because we are just making a beginning and we want to see that we gradually go about it.

As regards the service conditions of our staff to be transferred, what we have done is, as on 1st April, 1986 they will all be on deputation to the Corporation. The Corporation will come up with its service regulations and they will be given a choice whether they want to remain in

[Shri Jogesh Desai]

the Corporation or with the Department. They will be given a choice whether they accept the previous conditions or these conditions or on what terms they would be transferred. If they do not want to be transferred, they will have a choice to remain in the department. Not only this, at every stage from the very day I myself have personnally discussed with association representatives and our officers are in constant touch with them because I believe that without their full and wholehearted cooperation this Corporation or any other departmental set-up cannot function. Therefore, we have taken them into confidence and their interest will be fully protected.

As regards jurisdiction, we have decided about these two cities, metro cities as we call them. We have put down a provision that more and more areas could be added. This is an experiment which we are trying and it is really an experiment because other Corporations in the public sector are mostly manufacturing organisations and doing things of that nature, but here we will have to service hundreds and thousands of subscribers and we want that the whole thing should go on very satisfactorily. Therefore, we did not want to take on too much responsibility and we have started with the two cities. The idea is that at least the other two metro cities, Madras and Calcutta, are added to it as we go along.

SHRI PARVATHANENI UPENDRA: Hyderabad also.

SHRI RAM NIWAS MIRDHA: Hyderabad also, why not? There are variations. It is too early for me to spell out how the future pattern will be. We can contemplate even our States to have separate Corporations and then being tied down to this. This is only a thought at the present moment but there can be lot of variations as to how State capitals or the States will be devetailed in this Corporation set up. We will certainly keep that in mind. The main purpose of these Corporation is firstly to mobilise resources. Our plan allocations are not at all satisfactory. We have got 4010 crores for the Seventh Plan. We have a backlog of one million waiting list to fulfil. As we go along, the waiting list might increase. Our experience of the last few Plans is that at the end of every Plan, the waiting list has increased. There is no surprise or wonder that the service has not improved. Unless we have a massive investment to remove the backlog of replenishment and development as well as to give new services, I think the circumstances under which we are functioning would not be conducive to improve the services. One reason is that it can raise bonds. It can raise other loans, etc. The additionality of resources is one point why we are making these Corporations. The second point, which is perhaps more important, is to have a work culture. Through these Corporations, we would have more autonomy. As Upendra Ji mentioned, we need not have to refer things back even for a small thing like an extention of a telephone to a major party like his. This is another idea that everything need not be centralised. We will give them full autonomy so that they give service as well as they can.

The present jurisdiction would be just New Bombay Thane Municipality and the Bombay Municipal Corporation. Only three areas have been included. Other parts are not just there. As regards the other State capitals, I have already mentioned.

As regards the interest, even now we are paying interest to the Finance Ministry. There is a certain formula by which the Department of Telecommunications pays interest on certain assets, etc. that we get from the Government. So, we have not arrived at what the formula would be. But there is a provision in this that this should be done in consultation with this Department. The idea is that the share capital would earn some dividend and the interest of the loan would also be there. I can assure the House that the telecommunication system, if it works efficiently, can generate lot of surplus. It is not a losing proposition at all. Only we lack resources to invest in it for the time being. If we run it properly, we can generate sufficient resources

not only to service these loans, to give satisfactory dividend but also to expand. These aspects are under review.

SHRI S. W. DHABE: How many employees are affected in Delhi and Bombay?

SHRI RAM NIWAS MIRDHA: There are many common services like transmission lines from Bombay to Delhi. Now, Bombay Telephone earns because it works in the Bombay territory and because it sends a trunk call across to another part of the country. Out of the trunk charge, who shares how much? This is the idea. For national transmission network, how the sharing would be done between the Department of Communications which owns and operates these trunk lines and the transmission system and the Corporation? So, they have to sit together and decide how much they will share. This is what I meant when I said that the income would be shared. This would be in addition to the capital that we have given to them.

These broadly are the points that have been raised and I can assure the House that with the cooperation of the hon. Members we would make a new beginning in improving the quality of service in these two cities and in other areas which would also be added to it.

SHRI GHULAM RASOOL MATTO: Sir, I would suggest that this system of the Secretary working as part-time Chairman should not be there a day more than what is necessary.

SHRI RAM NIWAS MIRDHA: It is a very interim measure to start with and this would not be continued for ever.

THE VICE-CHAIRMAN (SHRI M. P. KAUSHIK): The House stands adjourned till 11 o'clock tomorrow.

The House then adjourned at thirty-five minutes past six of the clock till eleven of the clock on Wednesday, the 12th March, 1986.

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